

SAC MINUTES

TO: Simplified Acquisition Committee Members

FROM: Director, Division of Acquisition Programs,
Office of Logistics and Acquisition Operations (OLAO)

SUBJECT: SAC Meeting Minutes, October 26, 2005

Attendees:

Olga Acosta-Polston, NIAID	Rosie Owens, NIDA
Alan Amborse, OD/OLAO/DAP	Pam Robbins, NCI
Rico Batte, NLM	Annette Romanesk, OD/OLAO/DAP
Deborah Britton, CC	David Schneider, NHGRI
William Brown, Jr., OD/OLAO/DAP	Renita Smith, NCI
Courtney Carter, OD/OLAO/DAP	Cole Stathes, OD/OLAO/DAP
Roland Corsey, OD/OLAO/DAP	Laurie Weker, OD/OLAO/DAP
Sue Kaminski, OD/OLAO/DAP	Sheila Zichos, NIDA
Diane Mattern, OD/OLAO/DAP	

The minutes from the July meeting were approved as submitted.

Acquisition Planning and Specifications Branch (APSB) – William Brown, Jr., Chief

The Branch consists of 6 Equipment Specialists and one Program Specialist. An overview was given of the Branch functions – What Does It Do, and What Can It Do For You?

- **Acquisition Screening** – Requisitions for Central Procurement (CEN) that total \$50,000 and above are electronically routed to APSB once the RQM has been print approved in the ADB. This allows APSB to provide technical assistance in the form of writing the specifications, SOW, assist with the JOFOC, etc. prior to the RQM being assigned in Central Procurement. The screening process has proven to be a time saver.
- **Acquisition Planning** – APSB assists program officials throughout NIH in completing the acquisition request documents, developing the SOW, specs or JOFOC before the requirement is assigned to the proper purchasing/contracting office. This process saves valuable acquisition processing time.
- **Equipment Trade-in Program** – Companies selling scientific and medical equipment to NIH will accept used equipment for trade-in against the purchase of new equipment. Trade-ins can only be made for items of a similar nature, meaning both items must fall within the same Federal Supply Classification Group. Furniture and office supplies may not be traded. Also, NIH-owned equipment cannot be traded against leased equipment.

If you are purchasing a new piece of equipment and do not have a trade-in, please contact the Mr. Jeffrey Klein, APSB, 301-402-5262. He will provide assistance and walk you through the entire process.

More information on the Equipment Trade-in Program is available on the OLAO homepage at <http://www.olao.od.nih.gov/Acquisitions/PlanningAndSupport/>, under Equipment Trade-in Program.

- **Equipment Maintenance Program/Technical Project Officer Support** - This program was designed to maintain the scientific integrity of lab equipment. The Equipment Specialists in APSB are Technical Project Officers for various NIH-wide and GWAC contracts. Several examples are:
 1. Thermo Electron Corp. - MEMCO (Medical Equipment Maintenance Company) – Lab Freezer Maintenance
 2. Thermo Electron Corp - Cryonix – provides off-site storage, maintenance and transportation of sera/specimens/freezers within 50 miles
 3. Integrated Concepts & Research – purchase of medical equipment

A list of the contracts is available on the OLAO homepage at <http://www.olao.od.nih.gov/Acquisitions/PlanningAndSupport/>, under Technical Project Officer Support.

- **Reverse Auctions** – Reverse auctions are secure, web-based, “downward price” auctions. They are consistent and compatible with making “best value” awards. They seem to be best suited for buying large quantities of simple, well-defined commodities. The first NIH reverse auction was in May 2001. Since that time APSB has conducted eleven (11) auctions, with an overall savings of \$3,402,815.16. More information on reverse auctions is available on the OLAO homepage at <http://www.olao.od.nih.gov/Acquisitions/PlanningAndSupport/>, under Reverse Auctions.

Discount Validation – What is it? – Diane Mattern, Courtney Carter, Alan Ambrose

95% of all NIH Blanket Purchase Agreements (BPAs) offer a discount to customers. NIH is entitled to receive these discounts. The same discount should be given to NIH regardless of the mechanism being used: Records of Call, Purchase Orders and/or Purchase Cards. Purchasers should be asking the vendor for both the list price and unit price when placing an order. To ensure that NIH is both asking for and receiving the negotiated discount, the Simplified Acquisition Programs Branch set up the discount validation process. Each month a DELPRO report is reviewed to determine if the correct discount was received from the vendors. If no discount was received, the purchaser is contacted and asked if he/she requested the list price and unit price when placing the order. The order may need to be amended. If the discount offered is lower than the negotiated discount, the vendor is contacted and may need to issue a reimbursement check or credit the purchase cardholder's account. Every attempt is made to return the reimbursed money to the correct CAN#.

Acquisition Updates – Laurie Weker

- **ARAC** – The ADB began routing FY06 requirements to the new Consolidated Operations Acquisition Centers (COACs) in August. COACs will become fully operational on October 31, 2005. Laurie handed out a chart showing the current acquisition alignment along with a chart showing the COAC's and their customers.
- **AMC** – The Acquisition Management Committee is the primary organization for NIH's R&D, station support and simplified acquisition areas. The AMC charter is currently being rewritten to fit with the COAC structure. The Simplified Acquisition Committee (SAC) has become a subcommittee of the AMC so there will be a wider distribution of the SAC minutes. The SAC charter also needs to be rewritten. If anyone has a copy of the current charter, please contact Laurie. Each of the COAC's will be represented on the SAC. Anyone is welcome to attend the SAC meetings.
- **NBS** – There is a town hall meeting scheduled for October 31 in the Natcher Auditorium from 8:30 a.m. to noon.
- **SAI** – The deadline for entering orders into SAI is November 15th. The forms for any acquisition awards above \$2,500 through \$25,000 and BPA Records of Call above \$2,500 and up to the MOL must be sent or faxed to Annette Romanesk prior to November 15th. Purchase card orders are excluded. NIEHS and NIDDK are inputting their own orders into SAI.
- **Strategic Sourcing** – The Department is continuing to award BPAs and assess commodities for their applicability. Lab Supplies and Events Management, which were awarded by NIH, became effective at the end of FY 2005. Temporary Services, which was awarded by PHS, also became effective at the end of FY 2005. The Department is also establishing a Procurement Data Warehouse (PDW) as a way of overseeing HHS purchases and making assessments for future strategic sourcing initiatives.

The next meeting has been scheduled for Wednesday, January 18, 2006, at 9:30 am in Building 6001, Room A1/A2.